

## Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 208906

73

ORIGIN EB-07

INFO OCT-01 EUR-12 ISO-00 FEA-01 ERDA-05 AID-05 CEA-01

CIAE-00 CIEP-01 COME-00 DODE-00 FPC-01 H-02 INR-07

INT-05 L-03 NSAE-00 NSC-05 OMB-01 PM-04 USIA-06

SAM-01 OES-06 SP-02 SS-15 STR-04 TRSE-00 ACDA-07 /102 R

DRAFTED BY EB/ORF/FSE:LRRAICHT:LS

APPROVED BY EB/ORF/FSE - LAWRENCE R. RAICHT

EUR/CAN:JROUSE

FEA:RSANDS

EB:JLKATZ (SUBS)

----- 095039

P 231924Z AUG 76

FM SECSTATE WASHDC

TO AMEMBASSY OTTAWA PRIORITY

LIMITED OFFICIAL USE STATE 208906

E.O. 11652: N/A

TAGS: ENRG, CA, US

SUBJECT: US-CANADA ENERGY COOPERATION

REF: OTTAWA 3342

1. ADVISE EXTAFF USG PLEASED CANADA AGREES WITH UTILITY OF  
EARLY STAFF-LEVEL DISCUSSIONS TO DISCUSS NUMBER OF BILATERAL  
ENERGY ISSUES.

2. CANADIAN EMBASSY INFORMED DEPARTMENT GOC ENVISAGES ITS  
DELEGATION INCLUDING PETER TOWE (EXTAFF) AND DIGBY HUNT  
(EM&R). ACCORDINGLY, USDEL WOULD BE HEADED BY KATZ.

3. UNFORTUNATELY, DATES PROPOSED BY BLACKBURN IN REFTEL  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 208906

WOULD NOT BE CONVENIENT FOR KATZ. WE ARE PREPARED TO HOST

MEETING IN WASHINGTON EARLIER IN SEPTEMBER IF THIS CON-  
VENIENT FOR CANADIAN DELEGATION. ALTERNATIVELY, WE WOULD  
SUGGEST MEETING DURING FIRST TWO WEEKS OCTOBER, WITH  
PRECISE DATE TO BE SELECTED BY CANADIAN SIDE, SINCE IT WILL  
BE TRAVELING TO WASHINGTON.

4. WE ENVISAGE AGENDA ENCOMPASSING FOLLOWING TOPICS:

(A) OIL SUPPLY TO US NORTHERN TIER REFINERIES.

1) OIL EXCHANGES (FYI: DEPARTMENT EXPECTS TO PROVIDE  
EMBASSY SHORTLY WITH US PROPOSAL TO EXPAND PARAMETERS FOR  
EXCHANGES TO PERMIT USE OF OFFSHORE CRUDE TO SUPPLEMENT  
EXISTING SWAP AGREEMENTS INVOLVING US DOMESTIC CRUDE.  
END FYI).

2) ALTERNATIVE LOGISTICAL POSSIBILITIES FOR MEETING  
CRUDE OIL SUPPLY NEEDS OF NORTHERN TIER REFINERIES,  
INCLUDING PROPOSAL NOW BEING EXAMINED FOR CONSTRUCTION  
OF CRUDE OIL PIPELINE FROM KITIMAT, B.C. TO EDMONTON,  
ALBERTA.

3) SCHEDULE FOR PHASE-OUT OF EXPORTS OF CANADIAN CRUDE OIL

(B) US AND CANADIAN SCHEDULES FOR DECISION ON GAS TRANS-  
PORTATION SYSTEMS FROM NORTHERN REGIONS.

(C) POSSIBLE JOINT OIL STORAGE FACILITIES. WABANEX HAS  
PROPOSED TO FEA INCLUSION OF BELL ISLAND, NEWFOUNDLAND  
FACILITY IN EARLY STORAGE RESERVE PROGRAM. DEPARTMENT  
UNDERSTANDS GOC CURRENTLY STUDYING SECURITY STORAGE  
REQUIREMENTS IN CANADA. PRIOR TO PROCEEDING FURTHER  
WITH EXAMINATION OF WABANEX PROPOSAL, WE WOULD FIND IT  
USEFUL TO EXCHANGE VIEWS WITH GOC ON ITS PLANS FOR USE  
OF THIS FACILITY AND TERMS UNDER WHICH USE OF THE STORAGE  
FACILITY COULD BE MADE AVAILABLE TO USG.

(D) SUPPLY/DEMAND FORECASTS FOR NATURAL GAS IN CANADA AND  
IMPACT ON EXPORTS. (FYI: DURING BILATERAL MEETINGS  
WITH US OFFICIALS LAST WEEK, CANADIAN OFFICIALS INDICATED  
THAT CURTAILMENTS ARE UNLIKELY DURING 1976-1977 WINTER  
HEATING SEASON. END FYI).  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STATE 208906

5. EMBASSY SHOULD CONVEY ABOVE RESPONSE REGARDING PRO-  
POSED BILATERAL MEETING TO EXTAFF, ASCERTAIN CONVENIENT  
DATE FOR MEETING AND OBTAIN GOC SUGGESTIONS ON AGENDA.  
WHILE WE CANNOT DETERMINE WHICH AGENCIES SHOULD PARTICI-  
PATE IN MEETING UNTIL AGENDA IS FIRMED UP, ON BASIS OF  
ABOVE (PARA 4), WE ENVISAGE US DELEGATION WOULD BE  
LIMITED TO DEPARTMENT AND FEA. KISSINGER

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** ENERGY, MEETING AGENDA, INTERGOVERNMENTAL COOPERATION  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 23 AUG 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** SmithRJ  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976STATE208906  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** LRRRAICHT:LS  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760322-0055  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t19760828/aaaaaybz.tel  
**Line Count:** 115  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ORIGIN EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 76 OTTAWA 3342  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** SmithRJ  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 14 APR 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <14 APR 2004 by ellisoob>; APPROVED <19 AUG 2004 by SmithRJ>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** US-CANADA ENERGY COOPERATION  
**TAGS:** ENRG, CA, US  
**To:** OTTAWA  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006